



Order Filed on May 22, 2019 by
Clerk U.S. Bankruptcy Court
District of New Jersey

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:

EZ MAILING SERVICES, INC. d/b/a EZ
WORLDWIDE EXPRESS AND UNITED
BUSINESS EXPRESS,

Debtor-in-Possession.

Case No. 19-17900 (SLM)

Chapter 11

In re:

UNITED BUSINESS FREIGHT FORWARDERS,
LLC,

Debtor-in-Possession.

Case No. 19-17906 (SLM)

Chapter 11

Hearing Date: May 21, 2019

**ORDER AUTHORIZING AND APPROVING (A) TERM SHEET BETWEEN THE
DEBTORS AND QX LOGISTIX LLC, (B) APPROVING BIDDING PROCEDURES FOR
THE SALE OF THE DEBTORS' ASSETS RELATED TO THEIR VERNON,
CALIFORNIA AND AMAZON OPERATIONS, AND (C) SCHEDULING FINAL SALE
HEARING**

The relief set forth on the following pages, numbered two (2) through seven (7), is hereby
ORDERED.

DATED: May 22, 2019


Honorable John K. Sherwood
United States Bankruptcy Court

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Debtor: EZ MAILING SERVICES, INC. AND UNITED BUSINESS FREIGHT FORWARDERS, LLC
Case No. CASE NOS. 19-17900 (SLM) AND 19-17906 (SLM)
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THIS MATTER having been opened to the Court upon the joint motion (the “**Motion**”)¹ of EZ Mailing Services, Inc. d/b/a EZ Worldwide Express and United Business Express and United Business Freight Forwarders, LLC, the above-referenced debtors-in-possession (together, the “**Debtors**”), by and through their undersigned counsel, pursuant to Sections 105(a), 363, and 365 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”), Rules 2002, 6004, 6006, and 9014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Local Rules of the United States Bankruptcy Court for the District of New Jersey (the “**Local Rules**”) 6004-1 and 6004-2, for: (a) entry of an order, *inter alia*, (i) approving that certain term sheet between the Debtors and QX Logistix LLC (“**QX Logistix**”), (ii) approving bidding procedures (the “**Bidding Procedures**”) in connection with the sale of the Debtors’ assets related to their Vernon, California and Amazon operations (the “**California Assets**”), and (iii) scheduling a final sale hearing (the “**Sale Hearing**”) to consider entry of an order approving the sale of the California Assets (together, the “**Interim Relief**”); and (b) an order authorizing and approving (i) the sale of the California Assets free and clear of liens, encumbrances, and other interests (the “**Sale**”), (ii) the assumption and assignment of the Debtors’ lease of real property at 2050-2080 East 49th Street, Vernon, California (the “**Vernon Lease**”), to QX Logistix, and (iii)

¹ Unless otherwise noted, the capitalized terms herein shall have the definitions ascribed to them in the Motion.

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granting related relief; and upon consideration of the Motion and all pleadings related thereto; and due and proper notice of the Motion having been given under the circumstances; and it appearing that no other or further notice is required; and it appearing that the Court has jurisdiction to consider the Motion and the Interim Relief sought therein in accordance with 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O); and it appearing that venue of these proceedings and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court finding that the Debtors have demonstrated a compelling and sound business justification for the Bidding Procedures and for entering into the Term Sheet with QX Logistix; and the Court finding that the Bidding Procedures substantially in the form set forth in the Motion and restated herein are fair, reasonable and appropriate and designed to maximize the recovery from the Sale; and the Court finding that the Bidding Procedures were negotiated in good faith between the Debtors and QX Logistix; and it appearing that the relief requested is in the best interest of the Debtors and their estates, and after due deliberation, and sufficient cause appearing therefor, it is hereby

ORDERED THAT:

1. The Interim Relief sought in the Motion is granted to the extent set forth herein.

All objections to the granting of the Interim Relief that have not been withdrawn, waived or

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settled as announced to the Court at the hearing on the Motion or by application filed with the Court are hereby overruled.

2. The Bidding Procedures that shall govern all procedures and proceedings relating to the Sale of the California Assets and the submission, consideration, negotiation and acceptance of alternate sale proposals are as follows: any competitive bid must be in writing and accompanied by the payment of a good-faith deposit of not less than \$25,000, paid in immediately available funds into escrow with the Debtors' counsel, not less than two (2) business days prior to the Sale Hearing. If QX Logistix is not the successful bidder for the California Assets, QX Logistix will be reimbursed for the amount of the Hard Deposit by the successful bidder for the California Assets. In the event of qualified competing bids for the California Assets, the auction for the California Assets shall be conducted at the Sale Hearing.

3. The Sale Hearing shall be held on May 30, 2019, at 10:00 a.m., before the Honorable Stacey L. Meisel, U.S.B.J., at the United States Bankruptcy Court, Courtroom 3A, Martin Luther King, Jr. Federal Building, 50 Walnut Street, Newark, New Jersey 07102. Responses or objections ("**Sale Objections**"), if any, to the relief considered at the Sale Hearing must (i) be in writing, (ii) set forth with particularity the basis for the response or objection, (iii) be filed with the Clerk of the Court (with a courtesy copy delivered directly to the Chambers of the Honorable Stacey L. Meisel, U.S.B.J.) and (iv) be served on (a) the Law Offices of Kenneth

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L. Baum LLC, 167 Main Street, Hackensack, New Jersey 07601 (Attn: Kenneth L. Baum, Esq.), attorneys for Debtors, (b) Stradley Ronon Stevens & Young, LLP, 100 Park Avenue, Suite 2000, New York, New York 10017 (Attn: Scott H. Bernstein, Esq.), attorneys for QX Logistix, and (c) Office of the United States Trustee, 1 Newark Center, Newark, New Jersey 07102 (Attn: Mitchell B. Hausman, Esq.) (collectively, the “**Objection Notice Parties**”), so as to be received no later than 4:00 p.m. (New York City time) on May 28, 2019 (the “**Objection Deadline**”); provided, however, that objections based on the Debtors’ recommendation of a successful bidder at the auction or the conduct of the auction may be made at the Sale Hearing.

4. Upon entry of this Order, the Debtors’ counsel shall cause a copy of this Order to be served upon all of the Debtors’ creditors, all parties that the Debtors and their professionals have identified that are likely to have an interest in submitting competing bids, all parties that have filed a notice of appearance or a request for notices pursuant to Bankruptcy Rule 2002, and parties-in-interest by postage prepaid, preaddressed First Class mail. Under the circumstances, the notice of the Sale Hearing and the Bidding Procedures are appropriate and reasonably calculated to provide all interest parties with timely and appropriate notice of the Sale Hearing and the Bidding Procedures, and no other or further notice of the Sale Hearing and the Bidding Procedures is required.

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5. Within one (1) day after entry of this Order, the Debtors' counsel shall serve on the counterparty to the Vernon Lease (i) a written notice setting forth the proposed cure amount in connection with the proposed assumption and assignment of the Debtors' Vernon Lease to QX Logistix and (ii) information relating to adequate assurance of future performance under the Vernon Lease by QX Logistix, pursuant to Section 365(f)(2)(B) of the Bankruptcy Code. Objections to the assumption and assignment of the Vernon Lease must be in writing and filed in the Court and served upon the Objection Notice Parties by the Objection Deadline; provided, however, that in the event the auction results in a successful bidder other than QX Logistix, the deadline for filing and serving an objection (with a copy to chambers) to the assumption and assignment of the Vernon Lease (with the exception of an objection to the proposed cure amount) to such a successful bidder shall be on June 2, 2019, and the Court shall hold a hearing as soon thereafter as its calendar will permit.

6. Unless an objection to the assumption and assignment of the Vernon Lease is timely filed and served by the applicable objection deadline, all counterparties to the assumed and assigned Vernon Lease shall (i) be forever barred from objecting to the proposed cure amount and from asserting any additional cure or other amount with respect to the assumed and assigned Vernon lease, and the Debtors and the successful bidder shall be entitled to rely solely upon the proposed cure amount set forth in the cure notice; (ii) be deemed to have consented to

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the assumption and assignment; and (iii) be forever barred and estopped from asserting or claiming against the Debtors or the successful bidder that any additional amounts are due and/or other defaults exist, that conditions to assignment must be satisfied under the assumed and assigned Vernon Lease or that any objection or defense to the assumption and assignment of such Vernon Lease exists.

7. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

8. Notwithstanding any Bankruptcy Rule or Local Bankruptcy Rule to the contrary, this Order is effective and enforceable immediately upon signature hereof.

9. Notwithstanding any of the terms and conditions contained in the Term Sheet or any provision in this Order, all rights and remedies of North Mill Capital LLC ("NMC") under any and all agreements with the Debtors, including but not limited to all rights and remedies arising under that certain Accounts Receivable Agreement with Recourse dated December 30, 2016 (as amended and as may be further amended), are hereby preserved and shall not be deemed to be modified, released, waived, or impaired in any way as a result of this Order. Additionally, all rights of NMC with respect to the sale of the California Assets and the terms and conditions to govern the same, including the terms and conditions of any agreement to be executed in connection therewith, are hereby reserved in full.